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MONTANA LEGISLATIVE HISTORY

Chapter 704 19 89

Bill H _____ S 132 Original bill & history ☒ C

H. Committee on Taxation

Hearing Date(s) Mar 02 ☒ C

Mar 31 ☒ C

_____ ☐ C

_____ ☐ C

Date Out Mar 31 ☒ C

S. Committee on Taxation

Hearing Date(s) Jan 18 ☒ C

Feb 09 ☒ C

_____ ☐ C

_____ ☐ C

Feb 09 ☒ C

Did this bill originate in an interim committee? ☐ Yes ☐ No

Committee _____

Report _____

Note: A conference committee was appointed, but its minutes were not published.

SENATE FINAL STATUS

1/14	INTRODUCED		
1/14	REFERRED TO JUDICIARY		
2/10	HEARING		
2/11	COMMITTEE REPORT--BILL PASSED AS AMENDED		
2/14	2ND READING PASSED	47	0
2/16	3RD READING PASSED	48	0
	TRANSMITTED TO HOUSE		
2/21	REFERRED TO JUDICIARY		
3/08	HEARING		
3/08	COMMITTEE REPORT--BILL CONCURRED		
3/11	2ND READING CONCURRED	86	3
3/13	3RD READING CONCURRED	96	1
	RETURNED TO SENATE		
3/16	SIGNED BY PRESIDENT		
3/16	SIGNED BY SPEAKER		
3/17	TRANSMITTED TO GOVERNOR		
3/23	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 250		
	EFFECTIVE DATE: 10/01/89		

SB 132 INTRODUCED BY MAZUREK
 GENERALLY REVISE COLLECTION OF DELINQUENT PROPERTY
 TAXES; DEFINE THE TERM "COST"

1/14	INTRODUCED		
1/14	REFERRED TO TAXATION		
1/18	HEARING		
2/10	COMMITTEE REPORT--BILL PASSED AS AMENDED		
2/14	2ND READING PASSED	46	1
2/16	3RD READING PASSED	48	0
	TRANSMITTED TO HOUSE		
2/21	REFERRED TO TAXATION		
3/07	HEARING		
4/01	COMMITTEE REPORT--BILL CONCURRED AS AMENDED		
4/06	2ND READING CONCURRED AS AMENDED	95	4
4/07	3RD READING CONCURRED	95	3
	RETURNED TO SENATE WITH AMENDMENTS		
4/11	2ND READING AMENDMENTS NOT CONCURRED	49	0
4/12	CONFERENCE COMMITTEE APPOINTED		
4/18	CONFERENCE COMMITTEE REPORT NO. 1		
4/19	2ND READING CONFERENCE COMMITTEE REPORT NO. 1 ADOPTED	50	0
4/19	3RD READING CONFERENCE COMMITTEE REPORT NO. 1 ADOPTED	48	2
	HOUSE		
4/13	CONFERENCE COMMITTEE APPOINTED		
4/18	CONFERENCE COMMITTEE REPORT NO. 1		
4/19	2ND READING CONFERENCE COMMITTEE REPORT NO. 1 ADOPTED	84	9
4/20	3RD READING CONFERENCE COMMITTEE REPORT NO. 1 ADOPTED	89	5
4/26	SIGNED BY PRESIDENT		
4/28	SIGNED BY SPEAKER		
5/01	TRANSMITTED TO GOVERNOR		
5/22	SIGNED BY GOVERNOR		

SENATE BILL NO. 132
INTRODUCED BY MAZUREK

IN THE SENATE

JANUARY 14, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON TAXATION.
	FIRST READING.
FEBRUARY 10, 1989	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
	STATEMENT OF INTENT ADOPTED.
FEBRUARY 13, 1989	PRINTING REPORT.
FEBRUARY 14, 1989	SECOND READING, DO PASS.
FEBRUARY 15, 1989	ENGROSSING REPORT.
FEBRUARY 16, 1989	THIRD READING, PASSED. AYES, 48; NOES, 0.
	TRANSMITTED TO HOUSE.

IN THE HOUSE

FEBRUARY 16, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON TAXATION.
FEBRUARY 20, 1989	FIRST READING.
APRIL 1, 1989	COMMITTEE RECOMMEND BILL BE CONCURRED IN AS AMENDED. REPORT ADOPTED.
APRIL 3, 1989	PASSED CONSIDERATION FOR THE DAY.
APRIL 4, 1989	PASSED CONSIDERATION FOR THE DAY.
APRIL 5, 1989	PASSED CONSIDERATION FOR THE DAY.
APRIL 6, 1989	SECOND READING, CONCURRED IN AS AMENDED.

APRIL 7, 1989

THIRD READING, CONCURRED IN.
AYES, 95; NOES, 3.

RETURNED TO SENATE WITH AMENDMENTS.

IN THE SENATE

APRIL 11, 1989

RECEIVED FROM HOUSE.

SECOND READING, AMENDMENTS NOT
CONCURRED IN.

APRIL 12, 1989

ON MOTION, CONFERENCE COMMITTEE
REQUESTED AND APPOINTED.

IN THE HOUSE

APRIL 13, 1989

ON MOTION, CONFERENCE COMMITTEE
REQUESTED AND APPOINTED.

IN THE SENATE

APRIL 18, 1989

CONFERENCE COMMITTEE REPORTED.

APRIL 19, 1989

SECOND READING, CONFERENCE COMMITTEE
REPORT ADOPTED.

ON MOTION, RULES SUSPENDED TO PLACE
BILL ON THIRD READING THIS DAY.

THIRD READING, CONFERENCE COMMITTEE
REPORT ADOPTED.

IN THE HOUSE

APRIL 20, 1989

CONFERENCE COMMITTEE
REPORT ADOPTED.

IN THE SENATE

APRIL 21, 1989

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 Senate BILL NO. 132
 2 INTRODUCED BY Ragunath
 3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE THE
 5 COLLECTION OF DELINQUENT PROPERTY TAXES; DEFINING THE TERM
 6 "COST" FOR PURPOSES OF TITLE 15, CHAPTERS 17 AND 18;
 7 REVISING THE AMOUNT TO BE PAID BY REDEMPTION; REVISING THE
 8 DISTRIBUTION OF REDEMPTION PROCEEDS; AMENDING SECTIONS
 9 15-17-121, 15-18-112, AND 15-18-114, MCA; AND PROVIDING AN
 10 IMMEDIATE EFFECTIVE DATE."

11
 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13 **Section 1.** Section 15-17-121, MCA, is amended to read:

14 "15-17-121. Definitions. Except as otherwise
 15 specifically provided, when terms mentioned in Title 15,
 16 chapters 17 and 18, are used in connection with taxation,
 17 they are defined in the following manner:

18 (1) "Certificate" or "tax sale certificate" means the
 19 document described in 15-17-212.

20 (2) (a) "Cost" means the cost incurred by the county
 21 as a result of a taxpayer's failure to pay taxes when due.
 22 It includes but is not limited to any actual out-of-pocket
 23 expenses incurred by the county plus the administrative cost
 24 of:

25 (i) preparing the list of delinquent taxes;

1 (ii) preparing the notice of pending tax sale;
 2 (iii) conducting the tax sale;
 3 (iv) assigning the county's interest in a tax lien to a
 4 third party;
 5 (v) identifying interested persons entitled to notice
 6 of the pending issuance of a tax deed;
 7 (vi) notifying interested persons;
 8 (vii) issuing the tax deed; and
 9 (viii) any other administrative task associated with
 10 accounting for or collecting delinquent taxes.
 11 (b) Cost does not include the costs incurred by the
 12 owner of a property tax lien other than the county.
 13 {2}{3} "County" means any county government and
 14 includes those classified as consolidated governments.
 15 {3}{4} "Property tax lien" means a lien acquired by
 16 the payment at a tax sale of all outstanding delinquent
 17 taxes, including penalties, interest, and costs.
 18 {4}{5} "Purchaser" means any person, other than the
 19 person to whom the property is assessed, who pays at the tax
 20 sale the delinquent taxes, including penalties, interest,
 21 and costs, and receives a certificate representing a lien on
 22 the property or who is otherwise listed as the purchaser.
 23 An assignee is a purchaser.
 24 {5}{6} "Tax", "taxes", or "property taxes" means all
 25 ad valorem property taxes, property assessments, fees

related to property, and assessments for special improvement districts and rural special improvement districts.

(6)(7) "Tax sale" means:

(a) with respect to real property and improvements, the offering for sale by the county treasurer of a property tax lien representing delinquent taxes, including penalties, interest, and costs; and

(b) with respect to personal property, the offering for sale by the county treasurer of personal property on which the taxes are delinquent or other personal property on which the delinquent taxes are a lien."

Section 2. Section 15-18-114, MCA, is amended to read:

"15-18-114. Distribution of redemption proceeds. (1)

When a property tax lien for which the county is listed as purchaser is redeemed, the money received from the redemption, including penalties and interest but not costs, must be distributed to the credit of the various funds to which the taxes would have originally been distributed and in the same proportion as the taxes would have originally been distributed.

(2) (a) When a property tax lien for which the recorded purchaser is other than the county is redeemed, the ~~money--received-from-the-redemption--including-penalties-and-interest-but-not--costs--must--be--distributed~~ the county treasurer shall distribute to the person listed as the

purchaser on the tax sale certificate and in the record kept by the county treasurer the amount the purchaser paid the county for the property tax lien plus any subsequent amount paid pursuant to 15-18-112 plus interest, as specified in 15-16-102, from the date of payment until the date of redemption. Any money remaining after distributing redemption proceeds to the purchaser other than the county must be distributed pursuant to subsection (1).

(b) (i) The distribution must be made by certified mail by the county treasurer to the purchaser at the address listed on the tax sale certificate as provided in 15-17-212(1)(e).

(ii) If the money distributed to the purchaser is returned unopened to the county treasurer, the treasurer shall publish once a week for 2 consecutive weeks in the official newspaper of the county a notice stating that:

(A) the county treasurer is in possession of money belonging to the purchaser for the redemption of the delinquency on the property named in the tax sale certificate;

(B) the money will be held by the county treasurer for a period of 1 year from the date of publication; and

(C) if the money is not claimed by the purchaser within the 1-year period, the purchaser relinquishes all claim to the money and the money will be credited to the

1 county general fund.

2 (3) The publication required in subsection (2)(b)(ii)
3 must be made at least annually, but the 1-year period
4 described in subsection (2)(b)(ii)(B) may not begin until
5 the date of publication.

6 (4) The county treasurer shall keep an accurate
7 account of all money paid in redemption, including a
8 separate accounting of other delinquent taxes, interest,
9 penalties, and costs, and when and to whom distributed."

10 **Section 3.** Section 15-18-112, MCA, is amended to read:

11 "15-18-112. Redemption from property tax lien. (1) In
12 all cases where a property tax lien has been acquired, the
13 purchaser may pay the subsequent taxes assessed against the
14 property.

15 (2) Upon the redemption of the property from the
16 property tax lien, the redemptioner shall, in addition to
17 the amount for which the property tax lien was sold,
18 including penalties, interest, and costs, pay the subsequent
19 taxes ~~paid--by--the--purchaser~~ assessed, with interest and
20 penalty thereon, at the rate established for delinquent
21 taxes in 15-16-102, ~~--from--the--date--of--the--payment--of--the~~
22 ~~taxes, penalties, interest, and costs.~~"

23 **NEW SECTION. Section 4.** Extension of authority. Any
24 existing authority to make rules on the subject of the
25 provisions of [this act] is extended to the provisions of

1 [this act].

2 **NEW SECTION. Section 5.** Effective date. [This act] is
3 effective on passage and approval.

-End-

MINUTES

MONTANA SENATE 51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By Chairman Bob Brown, on January 18, 1989,
at 8:00 a.m.

ROLL CALL

Members Present: Chairman Brown, Vice Chairman Hager,
Senator Bishop, Senator Crippen, Senator Eck, Senator
Gage, Senator Halligan, Senator Harp, Senator Mazurek,
Senator Norman, Senator Severson, Senator Walker

Members Excused: None

Members Absent: None

Staff Present: Jeff Martin, Legislative Council Researcher,
Jill Royhans, Committee Secretary

Announcements/Discussion: None

HEARING ON SENATE BILL 132

Presentation and Opening Statement by Sponsor: Senator Mazurek, District 23, sponsor, said the bill was introduced at the request of the county treasurers. Senate Bill 162 of the 1987 session was drawn up by representatives of the county officials and taxpayer associations - as a total tax sale and tax deed revision. This last year being the first time the county treasurers really worked with the bill, a few problems have surfaced and this bill is an effort to solve them. There was quite a battle in the last session over payment of delinquent taxes. The compromise reached stated that if you were over one year delinquent, you could pay the current year and any one year of the delinquency, but you did not have to pay the entire delinquency in order to pay the current taxes. Essentially, you could pay two years at a time to reduce the delinquency. Yellowstone County objected to that and the Attorney General issued an opinion, which muddies the water even further. However, Senator Mazurek said that provision is covered in a House bill this session and is not covered in this bill.

One of the provisions of Senate Bill 162 (1987) allowed county treasurers to assess costs in the tax sale process. However, "cost" was never defined and, therefore, Senate Bill 132 includes a broad definition of costs. Once the county goes through the lengthy process of preparing property for tax sale, the county is entitled to collect the preparation costs upon redemption. It does not allow the county to collect costs incurred by someone who comes in to purchase the property. If the owner comes in to redeem the property, he would only have to pay the costs the county incurred, not the costs of the purchaser. At present, county treasurers find themselves in the position of a collection agency for the purchaser when that property is redeemed by the owner.

Section 2 clarifies the redemption of the proceeds.

Section 3 clarifies that upon redemption, the redemptioner must pay all subsequently assessed taxes. Under the provisions of Senate Bill 162, the owner had to come back and pay only the taxes that had been paid by the county or some other purchaser. This bill makes it clear that if the property is redeemed by the owner, he has to pay all of the taxes paid by someone else as well as any taxes that were assessed from the date purchase took place.

Senator Mazurek presented a proposed amendment to Section 15-18-214 to the committee. (Exhibit 1). In this particular section when a deed is given, the county conveys absolute title free and clear of all encumbrances except those listed. The exception in subsection c (Exhibit 1) specifies "an interest in" and the amendment would strike that language. The language in the statute 15-18-309 (1985) says "when the land is owned". At this point, because of the "interest in" language, a question is raised as to whether a mortgage, lease, or trust indenture is an "interest in" that is not extinguished when there is a tax sale. This is an unintentional change, and it becomes a real problem in the major commercial properties when the Small Business Administration is involved. This section is not in the bill and should be added to it so it can be clarified and we are protecting some mortgage holders and not others.

List of Testifying Proponents and What Group they Represent:

Cort Harrington, County Treasurers
Martha McGee, Lewis and Clark County Treasurer

List of Testifying Opponents and What Group They Represent:

None

Testimony:

Cort Harrington, County Treasurers, said the main problem is in the "cost" area. An assignee or purchaser (other than the county) must pay costs when purchasing property at a tax sale. When the owner comes back and redeems the property, he pays everything to the county. The county keeps the money paid for costs; costs do not return to the purchaser.

He also pointed out the problem of partial payment of delinquencies, which is not addressed in this bill, but which the committee might want to address.

Martha McGee, Lewis and Clark County Treasurer, agreed the cost definition is too loose. She felt from experience working with the language from Senate Bill 162, that it is very confusing and needs clarification.

There were no further proponents.

Opponents:

None

Questions From Committee Members: Senator Crippen asked if a purchaser takes tax title and the redemption is then made, wouldn't the purchase be affecting a lien on the property. Since the costs have been paid to the county and the purchaser isn't going to lose those costs, wouldn't that create a lien the redeemer would have to pay.? Secondly, he asked if a lien is being created that has to be paid off.

Mr. Harrington replied the first question is not addressed in the bill. As to the second query, he felt a lien may or may not be created under general secure transaction law. It is not real clear.

Senator Mazurek said he had done research on this question in his private practice, and he had determined there is an equitable lien against the property, because money is advanced to protect the purchaser's interest when he voluntarily paid the owners obligation. This gives rise to an equitable lien, but does not cause a cloud

upon the title.

Senator Crippen asked if the county has a lien for costs.

Senator Mazurek said yes, they have it statutorily, because the statute says the owner pays all the taxes plus costs. This defines what the costs are and that costs must be paid to the purchaser.

Senator Halligan asked how treasurers arrive at a cost figure.

Mr. Harrington said they assess an administrative cost after reviewing the time and expenses involved. One of the big costs is notifying all interested parties. Many treasurers contract with title companies to do this and conduct the title search. Costs can run an average of \$10 - \$125.

Senator Gage referred to Section 3 subsection 2 in this bill. He asked if the purchaser paid subsequent assessments timely so there was no penalty or interest, would he be entitled to receive penalty and interests on the payments of those subsequent assessments from the owner even though he didn't pay it.

Mr. Harrington said if the assessments are paid timely there is no penalty and interest.

Senator Crippen wondered if it was possible for costs to get so high in relationship to the value of the property that people would not be interested in a tax sale.

Mr. Harrington says that is a concern, but it provides a check for the counties in not charging exorbitant costs.

Senator Mazurek said a bill has been introduced, which allows county commissioners to waive costs.

Closing by Sponsor: Senator Mazurek closed.

DISPOSITION OF SENATE BILL 132

Discussion: None

Amendments and Votes: Senator Crippen moved to amend Senate Bill 132 by adding a new section and amending the title to reflect Senator Mazurek's amendment (Exhibit 1).

The motion CARRIED unanimously.

Senator Mazurek felt the language currently in statute regarding delinquencies is perfectly clear. It says if you have a delinquency and you want to pay less than the full delinquency, as long as you pay the full amount of the current taxes, you can go back and pay any one year of the delinquency. He said you will always pay for two years, so slowly you are gaining. He said this was a good faith resolution to a very hot issue last session.

He also felt somewhat disgusted that the law isn't being applied as it was a very delicate issue and throwing it out (i.e. the Attorney General's decision) is a breach of faith with the members of the Senate.

Mr. Harrington felt it is perfectly clear, also. He said the Attorney General reached his opinion in a vacuum, and said it was intended that all the delinquencies must be paid before the current year could be paid. That was not the compromise and it is not necessary to clarify it again.

Senator Crippen reviewed the process again and said he felt it should be addressed in this bill even though Representative Hannah has a bill in to do this. He asked Jeff Martin to look into it.

The committee decided to hold the bill for a bit while Senator Mazurek and Jeff Martin discuss what to do with it.

DISPOSITION OF SENATE BILL 42

Discussion: Senator Eck presented the revised fiscal note to the committee (Exhibit 2). It shows there are costs incurred, but they are covered by federal payments and incentives.

Senator Gage asked how 10 FTE's could be funded with \$110,000.

Mr. Wallace, Department of Revenue, said the fiscal note only reflects the Montana share and the federal dollars will make up the difference.

Amendments and Votes: Senator Crippen moved to amend the

ROLL CALL

TAXATION

COMMITTEE

5054 LEGISLATIVE SESSION -- 1989

Date 1/18/89

NAME	PRESENT	ABSENT	EXCUSED
SENATOR BROWN	X		
SENATOR BISHOP	x		
SENATOR CRIPPEN	X		
SENATOR ECK	x		
SENATOR GAGE	X		
SENATOR HAGER	X		
SENATOR HALLIGAN	X		
SENATOR HARP	X		
SENATOR MAZUREK	X		
SENATOR NORMAN	X		
SENATOR SEVERSON	X		
SENATOR WALKER	X		

Each day attach to minutes.

Amend as follows

15-18-214. Effect of deed. (1) A deed issued under this chapter conveys to the grantee absolute title to the property described therein as of the date of the expiration of the redemption period, free and clear of all liens and encumbrances, except:

- (a) when the claim is payable after the execution of the deed and:
- (i) a property tax lien attaches subsequent to the tax sale; or
- (ii) a lien of any special, rural, local improvement, irrigation, or drainage assessment is levied against the property;
- (b) when the claim is an easement, servitude, covenant, restriction, reservation, or similar burden lawfully imposed on the property; or
- (c) when ~~an interest in~~ the land is owned by the United States, this state, or a subdivision of this state.

(2) Under the conditions described in subsection (1), the deed is prima facie evidence of the right of possession accrued as of the date of expiration

*Compare to 1987 pre 1987 statute
that was repealed.*

15-18-309. Effect of deed. The deed issued under this or any other law of this state shall convey to the grantee the absolute title to the lands

described therein as of the date of the expiration of the period for redemption, free of all encumbrances and clear of any and all claims of said defendants to said action except the lien for taxes which may have attached subsequent to the sale and the lien of any special, local improvement, irrigation, and drainage assessments levied against the property, payable after the execution of said deed, and except when the land is owned by the United States or this state, in which case it is prima facie evidence of the right of possession accrued as of the date of expiration of such period for redemption.

History

DISPOSITION OF SENATE BILL 257

Discussion:

Norris Nichols, Administrator, Motor Fuels Tax Division, Department of Revenue, said there is probably a need for a date for the distributor to apply, perhaps in July. Under Section 3, paragraph (c) the language needs to be changed from "may" to "shall". He said that could be accomplished by rule, however. In the interest of protecting the highway fund, there would be no recourse against the user for reimbursement. The only thing that could be done would be to flag that person on the system and then he could be picked up the following year if he had made an application.

Amendments and Votes: None

Recommendation and Vote:

Senator Eck MOVED SB 257 DO PASS. The motion was WITHDRAWN as Senator Harp was not present and Senator Gage had some further concerns.

DISPOSITION OF SENATE BILL 132

Discussion:

Senator Mazurek explained the Statement of Intent (Exhibit #3) saying the key part starts in the third paragraph. By example, it provides for paying a partial delinquency and as long as nothing is more than three years delinquent the property cannot be sold. There is not an automatic one year extension for every one year that is redeemed. You cannot have anything delinquent more than 36 months or you risk losing it. But a partial payment of less than the full amount can be made as long as you pay the current year.

Amendments and Votes:

Senator Mazurek MOVED to ADOPT THE STATEMENT OF INTENT. The motion CARRIED unanimously.

Recommendation and Vote:

Senator Norman MOVED SB 132 DO PASS with the Statement of Intent. The motion CARRIED unanimously.

DISPOSITION OF SENATE BILL 230

Discussion:

Senator Hager presented proposed amendments to the bill (Exhibit #4). Jeff Martin reviewed the amendments for the committee.

Senator Norman questioned the interest and penalty provisions in this bill as opposed to current law.

Jeff Martin replied the new interest would be in effect, the penalty would still be at 2% in addition to the 2% service charge. The interest would be set at 2 percentage points above the New York prime rate on November 1.

Senator Crippen is concerned with the language regarding the taxpayer submitting a plan in sub (b). He felt it would be a morass of various plans and a real headache for the county officials to deal with and would require a number of new FTE's to handle the increased work load this would engender.

Senator Gage said he has three problems with the bill as amended. First, this is a considerably different bill than the original as it did not contain any interest changes. Secondly, this is not optional as it affects current taxes. Third, page 3, lines 4-6, strikes the language that was just passed in SB 132 regarding payment of current taxes before delinquent taxes can be paid.

Senator Halligan felt this bill needs to be reviewed by groups such as the League of Cities and Towns, MACO, etc., during the interim and a great deal of input needs to be made by rural and urban groups, County Treasurers and Clerks and other affected parties.

Amendments and Votes: None

ROLL CALL

TAXATION

COMMITTEE

51st LEGISLATIVE SESSION -- 1989

Date 2/9/89

NAME	PRESENT	ABSENT	EXCUSED
SENATOR BROWN	X		
SENATOR BISHOP	X		
SENATOR CRIPPEN	X		
SENATOR ECK	X		
SENATOR GAGE	X		
SENATOR HAGER	X		
SENATOR HALLIGAN	X		
SENATOR HARP		X	
SENATOR MAZUREK	X		
SENATOR NORMAN	X		
SENATOR SEVERSON	X		
SENATOR WALKER	X		

Each day attach to minutes.

SENATE STANDING COMMITTEE REPORT

page 1 of 3
February 9, 1989

MR. PRESIDENT:

We, your committee on Taxation, having had under consideration SB 132 (first reading copy -- white), respectfully report that SB 132 be amended and as so amended do pass:

1. Title, line 5.

Following: "TAXES;"

Insert: "ALLOWING THE PAYMENT OF CURRENT YEAR TAXES WITHOUT THE PAYMENT OF DELINQUENT TAXES;"

2. Title, line 8.

Following: "SECTIONS"

Insert: "15-16-102,"

3. Title, line 9

Following: "15-18-112,"

Strike: "AND"

Following: "15-18-114,"

Insert: "AND 15-16-214."

4. Page 1.

Following: line 12

Insert: "Section 1. Section 15-16-102, MCA, is amended to read:

"15-16-102. Time for payment -- penalty for delinquency. All taxes levied and assessed in the state of Montana, except assessments made for special improvements in cities and towns payable under 15-16-103 and assessments made on interim production and new production as provided in Title 15, chapter 23, part 6, and payable under 15-16-121, shall be payable as follows:

(1) One-half of the amount of such taxes shall be payable on or before 5 p.m. on November 30 of each year or within 30 days after the tax notice is postmarked, whichever is later, and one-half on or before 5 p.m. on May 31 of each year.

(2) Unless one-half of such taxes are paid on or before 5 p.m. on November 30 of each year or within 30 days after the tax notice is postmarked, whichever is later, then such amount so payable shall become delinquent and shall draw interest at the rate of 5/6 of 1% per month from and after such delinquency until paid and 2% shall be added to the delinquent taxes as a penalty.

(3) All taxes due and not paid on or before 5 p.m. on May 31 of each year shall be delinquent and shall draw interest at the rate of 5/6 of 1% per month from and after such delinquency until paid and 2% shall be added to the delinquent taxes as a penalty.

(4) If the date on which taxes are due falls on a holiday or Saturday, taxes may be paid without penalty or interest on or before 5 p.m. of the next business day in accordance with 1-1-307.

(5) ~~If the taxes become delinquent, A taxpayer may pay his current year taxes without paying delinquent taxes. The county treasurer may must accept a partial payment equal to the delinquent taxes, including penalty and interest, for one or more full taxable years, provided both halves of the current tax year have been paid. Payment of delinquent taxes must be applied to the taxes that have been delinquent the longest. The payment of the current tax year is not a redemption of the property tax lien for any delinquent tax year."~~

Renumber: subsequent sections

5. Page 5, line 11.

Following: "(1)"

Insert: "Except as provided in subsection (3)."

Strike: "In"

Insert: "in"

6. Page 5.

Following: line 22

Insert: "(3) The property tax lien may also be redeemed for a particular tax year by a partial payment of that tax year as provided in 15-16-102(5) if:

(a) the property tax lien for the year in which the partial payment is made is owned by the county; and

(b) the tax deed has not been issued pursuant to 15-18-211.

Section 5. Section 15-18-214, BCA, is amended to read:

"15-18-214. Effect of deed. (1) A deed issued under this chapter conveys to the grantee absolute title to the property described therein as of the date of the expiration of the redemption period, free and clear of all liens and encumbrances, except:

(a) when the claim is payable after the execution of the deed and;

(i) a property tax lien attaches subsequent to the tax sale; or

(ii) a lien of any special, rural, local improvement, irrigation, or drainage assessment is levied against the property;

(b) when the claim is an easement, servitude, covenant, restriction, reservation, or similar burden lawfully imposed on the property; or

(c) when ~~an interest in~~ the land is owned by the United States, this state, or a subdivision of this state.

(2) Under the conditions described in subsection (1), the deed is prima facie evidence of the right of possession accrued as of the date of expiration of the period for redemption or the date upon which a tax deed was otherwise issued."

Renumber subsequent sections

AND AS AMENDED DO PASS

Signed: R. L. Brown
Hon. Brown, Chairman

Statement of Intent adopted.

Amendments to Senate Bill No. 132
First Reading Copy

Requested by Senator Mazurek
For the Committee on Taxation

Prepared by Jeff Martin
February 8, 1989

SENATE TAXATION

EXHIBIT NO. 3

DATE 2/9/89

BILL NO. SB 132

1. Page 1, line 11.

Insert: "

Statement of Intent

A statement of intent is not required for this bill but is included to make clear that the purpose of this bill is to clarify the provisions of Senate Bill No. 162 (Chapter 587, Laws of 1987), relating to partial payments of delinquent property taxes and to the procedures governing the sale of property for delinquent taxes.

In addition, this bill defines the term "costs", clarifies how redemption proceeds are distributed, requires a person who redeems property to pay the taxes and other charges that have been assessed since the date of the sale of the tax lien, and clarifies the effect of the tax deed.

In 1987, the legislature enacted 15-16-102(5) authorizing the partial payment of delinquent property taxes. The attorney general in 42 Attorney General Opinion opined, however, that a partial payment made pursuant to 15-16-102(5) does not toll the redemption period. In order to redeem the property, the attorney general stated that the taxpayer had to pay all of the delinquent taxes, including penalty and interest, plus all subsequently assessed taxes.

The intent of this bill is to reverse the attorney general's opinion. It is the intent of the legislature that each tax year for which property taxes are delinquent has a separate 36- or 18-month redemption period. If a partial payment is made for a particular tax year, a tax deed may not be issued based on that tax year because the taxes for that year have been paid.

For example, assume that the 1984, 1985, 1986, 1987, and 1988 property taxes are delinquent. Assume further that a 36-month redemption period applies to the property on which the taxes have not been paid. In February 1989, the current year, as that term is used in 15-16-102(5), is the 1988 tax year for which taxes are due on November 20, 1988, and May 31, 1989. The 36-month redemption period has expired for 1984, and it will expire for the 1985 taxes in the summer of 1989. This bill contemplates that a taxpayer may pay his 1988 taxes, even though the first half is delinquent. After the 1988 taxes are paid, the taxpayer may redeem the property for the 1984 tax year by paying the 1984 taxes.

The taxpayer may still lose his property unless he pays his 1985 taxes before the tax deed is issued. Because the current year and the most delinquent year are paid, the taxpayer may redeem the property for the 1985 tax year by paying the 1985 taxes.

In 1990, the taxpayer would have to pay the 1989 taxes before he could pay the 1986 taxes to redeem the property for the 1986 tax year. Following this pattern, the taxpayer would be current on all taxes after 3 years.

As used in this statement of intent, taxes include penalty, interest, and costs."

the state loses the lawsuit, there would be a 50% increase in property taxes to pay for the loss. Rep. Stang said this is not revenue that would not have been collected. He stated in most cases, 50 to 69% of the taxes have been paid under protest. He said most county commissioners are afraid to use this money because of the possibility of losing the case and not being able to repay the funds. Rep. Raney stated there should be a vote of the people before any of this money is spent. Rep. Gilbert said this has never been declared a tax and any worthwhile county commissioner would not touch this money since they would have no way of knowing what will happen with the lawsuit. He said if the money is spent, and the case is lost, then there would have to be an extensive property tax increase to repay the funds. He stated, until the court decision is made, this should not be supported. Rep. Hoffman stated that the taxpayers have the right to review the county commissioner's budgets and to approve or disapprove once the budget is set. Rep. Cohen said the mill levy cannot be increased because of I105 and the counties must stay with that taxable value even though it may be quite insufficient for their needs. Rep. Giacometto stated he supports this and stated who would know better than the county commissioners what is needed in this situation. Chairman Harrington said the counties have very serious problems and they do need help. Rep. Gilbert asked if there is anything in the statute that states once something has been declared taxable, it cannot then be changed. Chairman Harrington referred this question to Dave Bohyer who stated the tax has been declared legal in Montana courts. He said this will take ten to twelve years to get to the U.S. Supreme Court. Mr. Bohyer stated when this is finally decided and money is sent back to the counties, the individual taxpayer is harmed since they paid the tax at a higher level. He said this is the problem the Montana Taxpayer's Association has with the bill. Rep. Gilbert stated then the refund will be in the form of a tax reduction rather than a cash refund. Mr. Bohyer said that was correct.

Amendments, Discussion, and Votes: None.

Recommendation and Vote: Motion to DO PASS carried by a 14 to 3 voice vote with Reps. Gilbert, Raney and Ellison voting no.

HEARING ON SENATE BILL 132

Presentation and Opening Statement by Sponsor:

Senator Joe Mazurek, Senate District 23, stated SB 132 was requested by the County Treasurers Association. He stated Section 2 of the bill defines the costs the county incurs in preparing property for tax sale. He said if the property taxes are paid by someone other than the owner, this person will have to reimburse the county for the costs incurred in preparation for the sale. Sen. Mazurek stated if the

property is then redeemed by the owners, the person paying the back taxes and the costs to the county does not receive reimbursement for the costs. He said this bill will provide for reimbursement. He stated the bill also deals with partial payment for delinquencies. He said as long as the current year taxes are paid, the taxpayer can then pay one year of the delinquency even though they may be more than a year delinquent and the property can still be retained by the owner. Senator Mazurek stated Cort Harrington was present who could answer questions regarding the bill.

Testifying Proponents and Who They Represent:

Cort Harrington, Montana County Treasurers Association
Gordon Morris, Association of Counties

Proponent Testimony:

Cort Harrington said there had been problems with the tax delinquency partial payment area and the bill clarifies this issue. He also stated the bill clearly defines the matter of costs.

Gordon Morris stated his association supports the bill.

Testifying Opponents and Who They Represent:

None.

Opponent Testimony:

None.

Questions From Committee Members: Rep. Driscoll stated to Cort Harrington if a taxpayer is three years delinquent, and he/she pays the current year plus one delinquent year, can he/she pay just the current year in the future. Mr. Harrington replied no, each current year must be paid and the past delinquent years would be paid one each year until paid in full in order to save his property. He said the taxpayer cannot be more than three years delinquent.

Rep. Rehberg asked Senator Mazurek about the protection for the people who are losing the property under your definition of costs. Sen. Mazurek stated they always have recourse. He said the bill defines this very broadly. He would not object if the committee wished to change this.

Cort Harrington responded that the attorney general's opinion suggests costs can be charged but these costs were not clearly defined. He said the counties usually do not want to own property. He stated they want the property back on the tax rules so that is the consideration in not setting administrative costs too high. Rep. Rehberg responded that if there was a uniform interpretation, this bill would not

be necessary.

Rep. Elliott asked Cort Harrington about the period of redemption. Mr. Harrington replied this is a provision to extend the redemption to 36 months but he said in this bill, it is simplified with the one year delinquent payment each year with the current year payment until paid in full.

Closing by Sponsor: Sen. Mazurek stated the mechanism for retaining property is more acceptable in this bill and it keeps within the 36 month time limit but requires a current year payment. He thanked the committee for their time and for a good discussion of the bill.

DISPOSITION OF SENATE BILL 132

Motion: None.

Discussion: None.

Amendments, Discussion, and Votes: None.

Recommendation and Vote: None. Action will be taken at a later date.

HEARING ON HOUSE BILL 690

Presentation and Opening Statement by Sponsor:

Rep. Gary Spaeth, House District 84, stated HB 690 excludes title plants from property taxation. He said page 4 of the bill defines a title plant which is essentially the contents of the title company's file cabinets. Rep. Spaeth stated these records are on microfiche and it is difficult to place a tax value on these records. He said the revenue impact would be negligible. Rep. Spaeth stated it had been a long running problem to try to assess a value to these files and there had been court action in this respect. He said this was something of a nuisance tax that cost more to collect than the revenue it generated.

Testifying Proponents and Who They Represent:

Loren Solberg, Montana Land Title Association, Kalispell

Proponent Testimony:

Loren Solberg stated it was the contention of the Montana Land Title Association that title plants should be exempted from property taxation since they are intangible assets. He said litigation resulted from the implementation in 1984, of the rule by which the Department of Revenue attempted to equalize these assessments. Mr. Solberg stated his organization challenged this regulation in the courts and were successful. He stated this bill is a result of these

DAILY ROLL CALL

TAXATION

COMMITTEE

51st LEGISLATIVE SESSION -- 1989

Date March 7, 1989

[illegible]

VISITORS' REGISTER

HOUSE TAXATION

COMMITTEE

BILL NO.

SB 132

DATE

March 7, 1989

SPONSOR

Senator Joe Mazurek

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Cort Harrington	Mont. County Treasurer Ass	X	
Bert James Turner	Yellowstone County	X	
Arden Morris	MA Co.	X	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By Chairman Harrington, on March 31, 1989, at
10:00 a.m.

ROLL CALL

Members Present: All

Members Excused: None

Members Absent: None

Staff Present: Dave Bohyer, Legislative Council

Announcements/Discussion: None.

EXECUTIVE SESSION

DISPOSITION OF SENATE BILL 1 HEARD ON FEBRUARY 28:

MOTION: DO PASS AS AMENDED by Rep. Driscoll.

DISCUSSION: Rep. Stang asked what the fiscal impact of the bill would be. Rep. Gilbert requested an explanation of the amendments from Rep. Raney since it had been some time since the bill had been heard and the amendments approved. Rep. Raney replied his amendments raised the taxes rather than removing them. He said an estimated revenue of 4.8 million will be produced by the bill after the 1991 biennium. Rep. Hanson stated she could not support the bill with this amendment attached. Rep. Giacometto stated this was a substantial tax increase to the industry and would make it much less competitive. Rep. Cohen stated he understood the problem was equity and Rep. Raney's amendments provided this. He stated he supported the amendments. Rep. Rehberg stated he supported the bill.

The motion to DO PASS AS AMENDED FAILED by a 9 to 9 tie roll call vote.

The motion to TABLE was made by Rep. Raney. Motion FAILED by a 10 to 8 voice vote.

DISPOSITION OF SENATE BILL 132 HEARD ON MARCH 7:

MOTION: DO PASS by Rep. Schye and moved his amendments.

DISCUSSION: Dave Bohyer clarified the amendments stating amendments 1 through 4 were technical. He said three additional

sections had been included in the bill, the first two dealing with the sale of property after the tax deed process. He stated this gives the county commissioners the authority to sell the property for 70% of the appraised value after the second auction. Mr. Bohyer stated, with these amendments, the county can enter into a contract with the person who buys the property and the contract has to be approved by the DOR rather than one contract that applies to many different sales. He said the amendments also allow the notification process to commence 120 days before the tax deed is transferred.

Rep. Driscoll asked who would do the appraising. Mr. Bohyer replied the county assessor and the state appraiser. He then asked if they would return to the base value to which Mr. Bohyer replied they would.

The motion to DO PASS on the amendments CARRIED by a unanimous voice vote.

The motion to DO PASS AS AMENDED CARRIED by a unanimous voice vote.

DISPOSITION OF SENATE BILL 137 HEARD ON MARCH 29:

MOTION: DO PASS by Rep. Stang.

DISCUSSION: Rep. Stang stated currently this can be done with the individual income tax return. He said as a matter of fairness, this should be done with the corporation tax also. Rep. O'Keefe asked about the fiscal impact. Rep. Stang replied if the prior income tax return is amended, then the funds would be deducted from the current fiscal year but if this is carried forward, it would be the next fiscal year. He said this is basically the same amount of money. Rep. Gilbert stated it is the same point but this simplifies the taxes. Mr. Bohyer stated in the case of banks filing an amended return, they receive the refund for their loss. Rep. Elliott asked how the bill coordinates with HB 764 in regard to the carry forward carry back issue. Mr. Bohyer replied if a carry back is not allowed, in the short run an amended return could still be filed for the three year period. He said if HB 764 is passed, then there would be no carry back, and this bill would have no effect in this respect. He said this is an election to allow carry forward.

The motion to DO PASS CARRIED by a unanimous voice vote.

DISPOSITION OF SENATE BILL 184 HEARD ON MARCH 10:

MOTION: DO PASS by Rep. Patterson.

DISCUSSION: Rep. Raney asked how much of the 4.6 million was unprocessed agriculture products and how much is livestock. Rep. Patterson responded assumption 2, page 5, line 18 explains this and the bill covers livestock. Rep. Cohen stated the total loss to counties and schools is approximately \$5,000,000.00 annually.

DAILY ROLL CALL

TAXATION

COMMITTEE

51st LEGISLATIVE SESSION -- 1989

Date March 31, 1989

NAME	PRESENT	ABSENT	EXCUSED
Harrington, Dan, Chairman			
Ream, Bob, Vice Chairman	✓		
Cohen, Ben	✓		
Driscoll, Jerry	✓		
Elliott, Jim	✓		
Koehnke, Francis	✓		
O'Keefe, Mark	✓		
Raney, Bob	✓		
Schye, Ted	✓		
Stang, Barry	✓		
Ellison, Orval	✓		
Giacometto, Leo	✓		
Gilbert, Bob	✓		
Good, Susan	✓		
Hanson, Marian	✓		
Hoffman, Robert	✓		
Patterson, John	✓		
Rehberg, Dennis	✓		

STANDING COMMITTEE REPORT

March 31, 1989

Page 1 of 5

Mr. Speaker: We, the committee on Taxation report that Senate Bill 132 (second reading copy -- yellow) be concurred in as amended .

Signed: _____
Dan Harrington, Chairman

[REP. D. Harrington WILL CARRY THIS BILL ON THE HOUSE FLOOR]

And, that such amendments read:

1. Title, line 5.

Following: "TAXES"

Insert: "AND THE SALE OF TAX-DEED LAND BY THE COUNTY, PROVIDING FOR SALE OTHER THAN BY AUCTION IF NO BID IS RECEIVED AT TWO SALES; LENGTHENING THE NOTIFICATION PERIOD; CHANGING WHEN PROOF OF NOTICE MUST BE FILED BY THE COUNTY CLERK AND COUNTY TREASURER"

2. Title, line 10.

Following: "SECTIONS"

Insert: "7-8-2301, 7-8-2304,"

3. Title, line 11.

Following: "15-18-114,"

Insert: "15-18-212,"

4. Page 1, line 25.

Following: "tax lien,"

Insert: "revises the method by which county tax-deed land is sold, lengthens the notification period prior to issuing a tax deed, changes the time when proof of notice must be filed,"

5. Page 10.

Following: line 20

Insert: "Section 6. Section 7-8-2301, MCA, is amended to read:
"7-8-2301. Auction sale of county tax-deed land. (1)
Whenever the county ~~shall acquire any~~ acquires land by tax deed, it ~~shall be~~ is the duty of the board of county commissioners, within 6 months after acquiring title, to

make and enter an order for sale of ~~such~~ the lands at public auction at the front door of the courthouse.

(2) ~~No~~ A sale ~~shall~~ may not be made for a price less than the fair market value ~~thereof~~ of the land, as determined and fixed by the board prior to making the order of sale. In determining fair market value, the board shall subtract the amount of outstanding assessments that are a lien on the land from the unencumbered value of the land, but the minimum sale price for a parcel of land may not be less than \$10.

(3) If no bids are received at a sale of tax-deed land, the board shall order another auction sale of ~~such~~ the land under this part within 6 months and ~~shall~~ may, if required by the circumstances, redetermine the fair market value of the land under subsection (2).

(4) If no bid is received at the sale conducted under subsection (3), the board may dispose of the land as provided in 7-8-2218."

Section 7. Section 7-8-2304, MCA, is amended to read:
"7-8-2304. Terms for sale of tax-deed land. (1) ~~Such~~ A sale ~~shall~~ must be made for cash or, in the case of real property, on ~~such~~ terms ~~as~~ that the board of county commissioners ~~may approve~~ approves.

(2) (a) If ~~such~~ the sale is made on terms, at least 20% of the purchase price ~~shall~~ must be paid in cash at the ~~date of sale~~ date of sale paid in installments extending over a period not to exceed 5 years. All ~~such~~ deferred payments ~~shall~~ bear interest at the rate of 8% per annum.

(b) If a sale is made on terms, the chairman of the board shall execute a contract containing ~~such~~ the terms ~~as shall be~~ that are provided by a ~~uniform~~ contract ~~prescribed~~ approved by the department of revenue."

Section 8. Section 15-18-212, MCA, is amended to read:
"15-18-212. Notice -- proof of notice -- penalty for failure to notify. (1) Not more than 60 days prior to and not more than 60 days following the expiration of the redemption period provided in 15-18-111, a notice must be given as follows:

(a) for each property for which there has been issued to the county a tax sale certificate or for which the county is otherwise listed as the purchaser or assignee, the county clerk shall notify all persons considered interested parties in the property and the current occupant of the property, if any, that a tax deed may be issued to the county unless the

property tax lien is redeemed prior to the expiration date of the redemption period; or

(b) for each property for which there has been issued a tax sale certificate to a purchaser other than the county or for which an assignment has been made, the purchaser or assignee, as appropriate, shall notify all persons considered interested parties in the property, if any, that a tax deed will be issued to the purchaser or assignee unless the property tax lien is redeemed prior to the expiration date of the redemption period.

(2) (a) Except as provided in subsection (2) (b), if the county is the purchaser, no assignment has been made, and the board of county commissioners has not directed the county treasurer to issue a tax deed during the period described in subsection (1) but the board of county commissioners at a time subsequent to the period described in subsection (1) does direct the county treasurer to issue a tax deed, the county clerk must provide notification to all interested parties and the current occupant, if any, in the manner provided in subsection (1) (a). The notification required under this subsection must be made not less than 60 days or more than ~~90~~ 120 days prior to the date on which the county treasurer will issue the tax deed.

(b) If the county commissioners direct the county treasurer to issue a tax deed within 6 months after giving the notice required by subsection (1) (a), no additional notice need be given.

(3) (a) If a purchaser other than the county or an assignee fails or neglects to give notice as required by subsection (1) (b), which failure or neglect is evidenced by failure of the purchaser or assignee to file proof of notice with the county clerk as required in subsection (7), the county treasurer shall proceed to give notice in the manner provided in subsection (1) (a).

(b) Notice given under this subsection (3) must be given not less than 60 days or more than ~~90~~ 120 days prior to the date on which the county treasurer will issue the tax deed.

(c) A purchaser or assignee who fails to give notice as required by subsection (1) (b), thereby forcing notification to be given under this subsection (3), must be charged a penalty of \$500 plus all actual costs of notification incurred by the county proceeding under this subsection (3).

(4) The notice required under subsections (1) through (3) must be made by certified mail to each interested party and the current occupant, if any, of the property. The address to which the notice must be sent is, for each interested party, the address disclosed by the records in

the office of the county clerk and, for the occupant, the street address or other known address of the subject property.

(5) In all cases in which the address of an interested party is not known, the person required to give notice shall, within the period described in subsection (1) or not less than 60 days or more than ~~90~~ 120 days prior to the date upon which the county treasurer will otherwise issue a tax deed, whichever is appropriate, publish commence publishing once a week for 2 successive weeks, in the official newspaper of the county or such other newspaper as the board of county commissioners may by resolution designate, a notice containing the information contained in subsection (6), plus:

(a) the name of the interested party for whom the address is unknown;

(b) a statement that the address of the interested party is unknown;

(c) a statement that the published notice meets the legal requirements for notice of a pending tax deed issuance; and

(d) a statement that the interested party's rights in the property may be in jeopardy.

(6) The notices required by subsections (1) through (3) and (5) must contain the following:

(a) a statement that a property tax lien exists on the property as a result of a property tax delinquency;

(b) a description of the property on which the taxes are or were delinquent, which description must be the same as the description of the property on the tax sale certificate or in the record described in 15-17-214(2)(b);

(c) the date that the property taxes became delinquent;

(d) the date that the property tax lien attached as the result of a tax sale;

(e) the amount of taxes due, including penalties, interest, and costs, as of the date of the notice of pending tax deed issuance, which amount must include a separate listing of the delinquent taxes, penalties, interest, and costs that must be paid for the property tax lien to be liquidated;

(f) the name and address of the purchaser;

(g) the name of the assignee if an assignment was made as provided in 15-17-323;

(h) the date that the redemption period expires or expired;

(i) a statement that if all taxes, penalties, interest, and costs are not paid to the county treasurer on or prior to the date on which the redemption period expires or on or prior to the date on which the county treasurer

will otherwise issue a tax deed that a tax deed may be issued to the purchaser on the day following the date on which the redemption period expires or on the date on which the county treasurer will otherwise issue a tax deed; and (j) the business address and telephone number of the county treasurer who is responsible for issuing the tax deed.

(7) ~~In all cases, proof~~ Proof of notice in whatever manner given must be filed ~~by the county clerk, county treasurer, purchaser, or assignee, as appropriate,~~ with the county clerk ~~not less than 30 days following the mailing or publication of the notice.~~ If the purchaser or assignee is other than the county, the proof of notice must be filed with the county clerk within 30 days of the mailing or publishing of the notice. If the purchaser or assignee is the county or if the county treasurer is required to give notice pursuant to subsection (3), the proof of notice must be filed before the issuance of the tax deed under this chapter. Once filed, the proof of notice is prima facie evidence of the sufficiency of the notice.

(8) A county or any officer of a county may not be held liable for any error of notification."

Renumber: subsequent sections